§ 366.33

- (d)(1) In the case of a State in which there is both a DSU responsible for providing IL services to the general population and a DSU responsible for providing IL services for individuals who are blind, for purposes of subparts D and E of this part, the "Director" shall be the Director of the general DSU.
- (2) The State units described in paragraph (d)(1) of this section shall periodically consult with each other with respect to the provision of services for individuals who are blind.
- (e) The Director may enter into assistance contracts with centers to carry out section 723 of the Act. For purposes of this paragraph, an assistance contract is an instrument whose principal purpose is to transfer funds allotted to the State under section 721 (c) and (d) of the Act and this part to an eligible agency to carry out section 723 of the Act. Under an assistance contract, the DSU shall assume a role consistent with that of the Secretary under section 722 of the Act. If the DSU uses an assistance contract to award funds under section 723 of the Act, the DSU may not add any requirements, terms, or conditions to the assistance contract other than those that would be permitted if the assistance contract were a grant rather than an assistance contract. Under an assistance contract. as defined in this paragraph, the role of the DSU is to ensure that the terms of the assistance contract, which are established by chapter 1 of title VII of the Act and the implementing regulations in this part and 34 CFR part 364, are satisfied.
- (f) The Director may not enter into procurement contracts with centers to carry out section 723 of the Act. For purposes of this paragraph, a procurement contract is an instrument whose principal purpose is to acquire (by purchase, lease, or barter) property or services for the direct benefit or use of the DSU. Under a procurement contract, the DSU prescribes the specific services it intends to procure and the terms and conditions of the procurement.
- (g) In the enforcement of any breach of the terms and conditions of an assistance contract, the DSU shall follow

the procedures established in $\S\S 366.40$ through 366.45.

(Approved by the Office of Management and Budget under control number 1820–0018)

(Authority: 29 U.S.C. 711(c) and 796f-2(a)(2))

§ 366.33 What are the application requirements for existing eligible agencies?

To be eligible for assistance under this subpart, an eligible agency shall comply with the requirements in §366.21.

(Approved by the Office of Management and Budget under control number 1820-0018)

(Authority: 29 U.S.C. 796f-2(b))

§ 366.34 What is the order of priorities?

- (a) Unless the Director and the chairperson of the SILC, or other individual designated by the SILC to act on behalf of and at the direction of the SILC, jointly agree on another order of priorities, the Director shall follow the order of priorities in §366.22 for allocating funds among centers within a State, to the extent funds are available
- (b) If the order of priorities in §366.22 is followed and, after meeting the priorities in §366.22(a) (1) and (2), there are insufficient funds under the State's allotment under section 721(c) and (d) of the Act to fund a new center under §366.22(a)(3), the Director may—
- (1) Use the excess funds in the State to assist existing centers consistent with the State plan; or
- (2) Return these funds to the Secretary for reallotment in accordance with section 721(d) of the Act.

(Authority: 29 U.S.C. 711(c) and 796f-2(e))

§ 366.35 What grants must be made to existing eligible agencies?

In accordance with the order of priorities established in §366.34(a), an eligible agency may receive a grant under this subpart if the eligible agency meets the applicable requirements in §§366.2, 366.21, and 366.23.

(Authority: 29 U.S.C. 796f-2(c))